

City of Elmira Urban Renewal Agency (EURA)
Annual Assessment of the Effectiveness of Internal Controls

1. Background:

Section 280(1)(a)(9) and Section (2)(a)(8) of the Public Authorities Law requires all public authorities to complete an annual assessment of the effectiveness of their control structures and procedures.

2. Mission of Agency and Major Business Functions:

The City of Elmira Urban Renewal Agency (EURA) is a multi-faceted organization that performs a series of functions on behalf of the City of Elmira and serves to increase the quality of life for City residents through community and economic development projects. It is the charge of the Elmira Urban Renewal Agency to plan and undertake projects in the urban renewal plan and to oversee the financial viability of the urban renewal area. The functions carried out by EURA include but are by no means limited to: the marketing of EURA-owned property to viable developers; the leveraging of Federal, State, and private foundation grants for urban renewal projects; coordination of neighborhood and housing rehabilitation programs and initiatives.

The EURA as an organization has as its guiding principles the following:

- i. Ensure the health, safety, and security of the urban renewal area;
- ii. The cost of projects and programs should be weighed against their benefits to the urban renewal area and the City of Elmira as a whole;
- iii. Projects shall consider impacts on adjacent neighborhoods;
- iv. A balance between economic development and livability within the area shall be maintained.

3. Major Risks Associated with Operations:

Some major risks associated with the functions are conflicts of interest, collusion, fraud or theft when handling monetary functions, operation issues.

4. Intent:

The intent of the Agency's system of internal control shall be to:

- i. Promote the effective efficient operations in order that the Agency may carry out its mission.
- ii. Provide reasonable assurance that the Agency's assets are safeguarded against inappropriate or unauthorized use.
- iii. Promote the accuracy and reliability of accounting data and financial reporting to ensure transactions are executed in accordance with the Agency Boards' authorization and recorded property in accounting records.
- iv. Encouraging adherence to the Agency's policies and procedures for conducting programs and operations.
- v. Ensure compliance with applicable laws and regulations.

5. Assessment

The Agency reviews internal controls on an on-going basis. Additionally, the Agency undergoes an annual financial audit by an independent CPA firm. Any internal control weakness identified either by agency staff or by the CPA firm is communicated directly to the Board of Directors. The Agency develops corrective actions plans to reduce any corresponding risk for any identified deficiencies. For the year ended December 31, 2021, the present internal control procedures appear to be sufficient to meet internal control objectives that pertain to the prevention and detection of material weaknesses or deficiencies.